Date: June 29, 2006

To: Chairman Randolph, and Commissioners Blair, Downey, Huguenin and Remy

From: Mark Krausse, Executive Director

A. PERSONNEL & BUDGET

The joint budget conference committee approved a hybrid of the Senate and Assembly versions of the Commission's budget—reduced salary ranges for new positions in order to fund more operating expenses, and supplemental report language requiring the Commission to report to the Joint Legislative Budget Committee by March 1, 2007, on its workload. Each house has approved the budget and it now awaits gubernatorial action.

Ash Roughani has joined us as our new legislative intern, filling in for Executive Fellow Chris Espinosa, who left a bit early to work for Genentech in Vacaville. Ash holds a bachelor's degree in philosophy, with an emphasis in ethics and public policy, from UC Santa Barbara. He is pursuing a master's degree in public policy and administration at CSU Sacramento. He has researched campaign finance reform and governmental ethics while interning at California Common Cause. We are thrilled to have him join us for the summer.

The following progress has been made toward implementation of the Commission's <u>2006</u> <u>Strategic Plan</u>:

Objective A.1.b. Enforcement diversion program

A draft proposal was presented to the Commission, and public input received. Staff continues to develop the concept, and will bring it before the Commission again in September.

Objective A.1.c. Investigators, PRCs to resolve lesser violations

We have had success with assigning the Intake Unit's Political Reform Consultants to settle less complex, low-public harm cases. Once the recently hired Investigators are fully trained, the Enforcement Division will look for opportunities to assign appropriate cases to Investigators for full resolution, subject to attorney oversight.

Objective A.1.e. Look for opportunities to train local prosecutors in PRA violations We have just completed a training program with San Diego Deputy District Attorney Leon Schorr. We were able to benefit from Leon's prosecutorial expertise, while establishing a relationship with the San Diego District Attorney's Office. We will look for similar opportunities with other prosecutors and the California District Attorneys' Association.

Objective A.2.a. Post advice letters on website

The Communications Office has produced a sample website page providing advice summaries and links to the complete letter. We hope to post all 2006 advice letters as additional staff are hired following the new fiscal year.

A. PERSONNEL & BUDGET (cont'd)

Objective A.2.b. Provide enhanced searches of advice letters

Currently, visitors to the Commission's website are able to search by letter number, requestor and any keyword in the text. More advanced searching capabilities await additional information technology staff resources.

Objective A.2.c. Issue informal advice whenever appropriate

Objective A.2.d. Establish procedures for timely triage of advice requests

The Legal Division has implemented procedures, including ongoing status updates, to accomplish these objectives. Early results indicate some improvement in the timeliness of advice.

Objective A.3.a Improve call tracking software to determine wait time, etc.

Technical Assistance Division staff and others from the agency have been working with vendors to determine the most cost-effective way of updating our current call tracking software.

Objective B.1. Ensure pay equity

I have been working with the Department of Personnel Administration and Franchise Tax Board to resolve the pay disparity between our Accounting Specialists and the classification FTB uses to perform the same work. To date, we've been met with roadblocks from control agencies, but have identified two possible solutions that we are pursuing.

Objective C.1. Obtain a 50% increase in funding

Objective C.3. Make all funding statutory

These two objectives were included in SB 1120 (Ortiz). Unfortunately, that bill was rereferred to the Senate Rules Committee without a "do pass" recommendation, and the Rules Committee has not set the bill for a hearing.

Objective D.1. Sponsor legislation to increase the major donor threshold Senator Murray is authoring SB 1693 to increase the major donor threshold to \$30,000 and the notification trigger to \$15,000. The bill should be on the Assembly Floor by early July.

B. STAFF PROJECTS

The Communications Office has completed the June edition of the *Bulletin*, continues to respond to media inquiries, and is working on website improvements.

Tara Stock conducted an SEI outreach for the Los Angeles City Ethics Commission; Cynthia Jones conducted a campaign outreach for the City of Rocklin; Adrianne Korchmaros conducted a filing officer training in Riverside; and Teri Rindahl conducted a seminar on how to amend a conflict-of-interest code in Sacramento.

C. CONFLICT-OF-INTEREST CODES

<u>Code Adoptions and Amendments:</u> Pursuant to Government Code section 87300 and Commission regulation 18750.1, state and multi-county agencies seeking to adopt or substantively amend a conflict-of-interest code must submit the proposed code to the Commission for review and approval. The Technical Assistance Division has reviewed and, since the last agenda, I have approved the following conflict-of-interest codes:

Alcohol and Drug Programs, State of California Department of Watershed Conservation Authority

D. FINDINGS OF PROBABLE CAUSE

There were none.

E. REQUESTS FOR EXTENSION OF COMMITTEE TERMINATION

Friends of George Runner Committee (980023) A request for approval to re-open the committee was granted until September 30, 2006.

George Runner for Senate - 2004 (1244274) A request for approval to re-open the committee was granted until September 30, 2006.